

PERSONAL FINANCE

CONTENT STANDARDS

I. EARNING A LIVING

Indicator #1: Identify various forms of income and analyze factors that affect income.

Bloom's Taxonomy Level	Standard, Supporting Skills, and Examples
Analysis	<p>P1.1 Students will be able to analyze how career choices, education, skills, and economic conditions affect income.</p> <p><i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none">• Identify various ways people earn a living.• Analyze how career choices can be affected by economic conditions.• Research, using availability of jobs, salary, cost of living expenses, and standard of living, similar occupations in different locations and how this affects personal decision making.
Analysis	<p>P1.2 Students will be able to explain how taxes, government transfer payments, and employee benefits impact disposable income.</p> <p><i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none">• Calculate gross earnings including benefit packages.• Calculate net earning• Prepare a federal income tax return and other tax forms.

II. Money Management

Indicator 2: Explain the processes involved in managing your personal finances.

Bloom's Taxonomy Level	Standard, Supporting Skills, and Examples
Comprehension	P2.1 Students will be able to explain the importance of taking responsibility for personal financial decisions. <i>For example, to meet this standard students may:</i> <ul style="list-style-type: none">• List specific ways that young people can demonstrate that they are financially responsible
Evaluation	P2.2 Students will be able to evaluate available money management tools. <i>For example, to meet this standard students may:</i> <ul style="list-style-type: none">• Compare two sources of online financial advice• Compare and contrast financial services and/or financial institutions
Synthesis	P2.3 Students will be able to design a plan for managing finances. <i>For example, to meet this standard students may:</i> <ul style="list-style-type: none">• Create a personal income and expense statement• Plan, prepare, and manage a balanced budget• Determine net worth• Create and implement a personal financial plan using current information from newspapers, magazines, the internet, etc.
Application	P2.4 Students will be able to organize personal finance records. <i>For example, to meet this standard students may:</i> <ul style="list-style-type: none">• Reconcile a financial statement• Develop a system for maintaining records.• Use a simulation
Analyze	P2.5 Students will be able to analyze how risk-management strategies protect against financial loss. <i>For example, to meet this standard students may:</i> <ul style="list-style-type: none">• Compare and contrast risk-management strategy.• Research the financial responsibility laws for your state• Explain types of insurance

III. Spending and Credit

Indicator 3: Use a rational decision-making process as it applies to informed decisions on spending and credit.

Bloom's Taxonomy Level	Standard, Supporting Skills, and Examples
Application	<p>P3.1 Students will be able to apply a rational decision-making process to personal buying decisions. <i>For example ,to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Identify the steps in the decision-making process • Distinguish between needs and wants • Explain the factors that affect personal spending patterns • Evaluate information about products and services • Apply comparison shopping practices • Identify alternative sources for purchases
Analysis	<p>P3.2 Students will be able to compare the advantages and disadvantages of different payment methods. <i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Compare the total costs of leasing, borrowing to buy and rent-to-own options • Examine security issues related to various payment options
Analysis	<p>P3.3 Students will be able to analyze the sources, benefits and costs of consumer credit. <i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Calculate how long it takes to repay debt and the total cost when a borrower makes minimum payments • Compare credit card offers • Explain why the amount of principal, the period of the loan, and the interest rate affect the amount of interest charged • Explain why the interest rate varies with the amount of assumed risk • Explain the various types of consumer credit, including credit cards, installment loans, student loans and mortgages.
Analysis	<p>P3.4 Students will be able to assess the positive and negative consequences of using credit. <i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Describe the negative consequences of bankruptcy • Explain factors that affect a credit report • Identify signals of credit problems and resources available for consumer credit counseling • Explain factors that affect creditworthiness and the purpose of credit history.
Evaluation	<p>P3.5 Students will be able to explain the rights and responsibilities of buyers and sellers under consumer</p>

	<p>protection laws.</p> <p><i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Research consumer advocacy groups that address consumer rights and responsibilities • Explain the purposes and features of consumer protection laws and regulations • Write a letter of complaint to resolve a consumer issue
--	---

IV. Savings and Investing Standards

Indicator 4: Evaluate savings and investment options to meet short- and long-term goals.

Blooms Taxonomy Levels	Standard, Supporting Skills, and Examples
Analysis	<p>P4.1 Students will be able to compare and contrast the risk, return, and liquidity of saving and investment options</p> <p><i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Create a chart showing the characteristics of investments • Create a chart showing the characteristics of savings • Explain the time value of money.
Application	<p>P4.2 Students will be able to apply criteria for choosing savings and investment options.</p> <p><i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Participate in a simulation • Differentiate between savings and investing • Evaluate personal savings and investment plans.
Comprehension	<p>P4.3 Students will be able to explain why and how regulating agencies protect savers and investors</p> <p><i>For example, to meet this standard students may:</i></p> <ul style="list-style-type: none"> • Research and report on the different agencies